



# भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।  
Separate paging is given to this Part in order that it may be filed as a separate compilation.

## LOK SABHA

The following Bills were introduced in Lok Sabha on 19.7.2002.

### BILL NO. 41 OF 2002

*A Bill to promote use and development of indigenous iron and steel in industries keeping in view the liberalisation of economic policy and changes introduced in trade policies thereunder.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Promotion of Indigenous Iron and Steel Industries Act, 2002.

(2) It extends to the whole of India.

(3) It shall apply to all projects, industrial or business enterprises set up or to be set up with the grant and aid of public money.

(4) It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint.

2. It is hereby declared that it is expedient in the public interest to help, promote and consolidate the growth and development of indigenous iron and steel industries in the context of the liberalised economic policy.

Short title,  
extent,  
application  
and  
commencement.

Declaration as  
to expediency  
of promotion  
of indigenous  
iron and steel  
industries

## Definitions.

3. (a) "industrial establishment" means any premises including the precincts thereof where any systematic activity is carried on by owner, or through any agency, including a contractor or sub-contractor, for manufacture, production, supply or distribution of goods or services for sales or business or both with a motive to make any gain or profit and includes ancillary industrial undertakings;

(b) "factory" means any premises, including the precincts thereof, in any part of which a manufacturing process is carried on or is being ordinarily carried on with the aid of power and where twenty or more workers are working there on any day of the preceding twelve months;

(c) "goods" means goods as defined in the Sale of Goods Act, 1930 and includes all material, articles, commodities and all other kind of moveable properties relatable to "industry" or "industrial undertaking" including "ancillary industrial undertakings" within the meaning of this Act;

3 of 1930

(d) "indigenous iron and steel" means all iron and steel products including all kinds of products therefrom, which are manufactured or produced in India, but excluding the product rolled/manufactured out of conversion of any imported input material;

(e) "owner" in relation to an industrial undertaking, means the person, who, or the authority which, has the ultimate control over the affairs of the undertaking, and, where the said affairs are entrusted to a manager, managing director or managing agent, such manager, managing director or managing agent, as the case may be, shall be deemed to be the owner of the undertaking;

(f) "power" means electrical energy or any other form of energy which is mechanically generated and transmitted and is not generated and transmitted by human or animal agency;

(g) "public fund" means and includes all financial facilities, assistance or grant provided by the Central or a State Government, its agencies or financial institution.

(h) "public works" means all such project works exceeding rupees one crore which are being undertaken with the assistance of public fund or for public service.

## Compulsory use of indigenous iron and steel in all industrial establishments.

4. (1) Notwithstanding anything contained contrary in any law for the time being in force, it shall be mandatory to use iron and steel mined, produced or manufactured in the country for every—

(a) Public works, factory, industrial establishment including an ancillary industrial establishment owned wholly or partly by the Central Government or a State Government or run with the aid and assistance of public fund:

Provided that it shall not apply where use of such iron and steel manufactured in India is detrimental to the public interest or to the project or not available in specified qualities or within delivery schedule.

(b) Contract for construction, modification, modernisation, installation, alteration, repairs of any public work or industrial establishment undertaken with the aid and assistance of public fund:

Provided that it shall not apply where use of such iron and steel manufactured in the country is impracticable for successful completion of the work and cost of procurement exceeds rupees one crore.

(c) person including an owner, occupier, head of an industrial establishment, contractor, sub-contractor, agent carrying on an industrial undertaking or executing any job or work in any such industrial establishment.

## Declaration to use imported iron and steel.

5. (1) Every person undertaking execution of any contract or work or job requiring procurement of iron and steel and other material input from outside the country shall furnish a declaration to the head of the industrial establishment to that effect.

(2) The head of industrial establishment shall forward the reasons for procurement or importing iron and steel from outside the country in the prescribed format to the Central Government.

(3) The Central Government shall examine reasons and facts furnished by an industrial establishment and recommend for procurement of iron and steel which is essential for completion and execution of the work.

6. (1) Any person including an owner, occupier, head of an industrial establishment, contractor, sub-contractor or agent who contravenes the provisions of this Act shall be punishable with fine which may extend upto five times of the price difference between the iron and steel materials produced indigenously and the same procured or imported from outside India and in case of continuing contraventions, with an additional fine which may extend upto two times of the fine imposed as aforesaid for every fortnight during the continuance of the contravention.

Punishment for contravention of the provisions of the Act.

(2) If the person contravening any of the provisions of the Act or the rules framed thereunder is a company, every person, who at the time the offence was committed was in-charge of and responsible to the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the contravention.

*Explanation:—* For the purpose of this section—

“company” means a body corporate duly incorporated under the Indian Companies Act, 1956 and includes a partnership firm or other association of individuals.

1 of 1956.

7. Any person who is required under the provisions of this Act or rules made thereunder to make any statement or furnish any information deliberately makes false statement and furnishes false information, he shall be punishable with imprisonment which may extend to three years or with fine which may extend upto rupees fifteen thousand or with both.

Punishment for false information.

8. No court shall take cognizance of any offence punishable under this Act except on a report in writing of the facts constituting such offence made by any interested persons.

Cognizance of offence.

9. Where any person is charged with contravening any of the provisions of this Act or rules framed thereunder the burden of proving innocence shall be on him.

Burden of proof.

10. No court inferior to that of a Presidency Magistrate or a Judicial Magistrate of the First Class shall try any offence punishable under this Act.

Jurisdiction of courts.

11. If the Central Government is of the opinion, having regard to the small amount of the public fund involved in the project or of the strategic importance, it may exempt subject to such conditions as it may think fit to impose on any industrial undertaking or ancillary industrial undertaking or factory or group of industrial undertakings, ancillary industrial undertakings, or factories as it may specify in the notification from the operation of all or any of the provisions of this Act or any rules or orders made thereunder.

Power to exempt in certain cases.

12. (1) No suit or prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act or a rule or order made thereunder.

Protection of action taken under this Act.

(2) No suit or other legal proceeding shall lie against the Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order or direction made thereunder.

13. The Central Government, may by notification in Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

## STATEMENT OF OBJECTS AND REASONS

There is an urgent need to encourage the use and development of indigenous iron and steel in industries by giving constructive preference in procurement. In view of the major changes introduced in the Indian economy through liberalization since July, 1991, the need is felt for giving encouragement to articles, materials, supplies which have been mined, produced or manufactured within the country for safeguarding and promoting the interest of domestic industries.

In a developing country like India, the Government's role in infrastructure projects like power, road, national highway, ports, communication, railway tracks and bridges, defence activities, refineries, etc. continues to be predominant. The public procurement of raw materials and inputs for the purpose of various ongoing and incoming projects plays a crucial role in generating a high demand for various industrial products in a country, like India which is at the threshold of take-off stage of all round economic development.

It is the primary concern of the State, be it highly developed or developing, to see that the domestic industries set up with the help of massive investment, manpower and technology continue to receive a positive support in the form of higher demand generation. In situations where the inputs procured from the domestic sources satisfy all eligibility criteria like prices, technical dimensions and delivery schedules and the onus of providing the finance either from any public resources or from borrowed fund by State or public agency is crucial for these projects of national importance, it can have a preferential treatment for procurement from domestic sources. Such measure is compatible to the agreements internationally undertaken. The iron and steel projects (ferrous metal) including structurals plates, sheets, coils and special products in that category are indigenously available and globally accepted. However, exports of steel from India has been subjected to various duty restrictions imposed by other countries. On the other hand, due to import liberalized scenario, substantial tonnages of steel products at very low prices some of whom are seconds and rejects are being imported into the country. This has caused irreparable damage to the domestic industry who have made massive investment to install state-of-the-art technology to cater to the changing pattern of demand. It is expedient in the public interest to develop the indigenous industries without affecting in any way the quality and other aspects of the overall development. As such the Bill intends to encourage the growth and development of indigenous industry in the country.

NEW DELHI;  
April 5, 2002.

SUNIL KHAN

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 13 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. The rules will relate to the matters of detail only.

The delegation of legislative power, therefore, is of a normal character.

## BILL NO. 40 OF 2002

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 2002.

Short title.

2. In article 275 of the Constitution, in clause (1), before the first proviso, the following provisos shall be inserted, namely:—

Amendment  
of article  
275.

**“Provided that there shall be paid out of the Consolidated Fund of India as grants-in-aid of the revenues of a State such capital and recurring sums as may be necessary to enable that State to meet the costs of such schemes or development works undertaken by the State if the State is unable to carry out such schemes or works due to severe financial crisis:**

**Provided further that a sum of rupees three thousand and two hundred crore shall be allocated as grants-in-aid of revenues of the State of Tamil Nadu as one time grant and rupees five hundred crore every year as recurring expenditure and such amount shall be charged on and paid out of the Consolidated Fund of India.”**

### STATEMENT OF OBJECTS AND REASONS

Several States are reeling under severe financial crisis. As a result, they are not able to undertake developmental schemes. In Tamil Nadu when the present Government took over the reins, the coffers were empty.

Therefore, the present Government is in a precarious position. Central Government should come forward and assist Tamil Nadu and other States where there is a severe financial crisis.

The Bill accordingly seeks to amend the Constitution.

NEW DELHI;  
17 April, 2002.

S. MURUGESAN

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### FINANCIAL MEMORANDUM

Clause 2 of the Bill provides for grants-in-aid of the revenues of a State facing severe financial crisis. The Bill, therefore, if enacted will involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of about rupees ten thousand crore is likely to be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees twenty thousand crore is also likely to be involved.

## BILL No. 34 OF 2002

*A Bill to provide for the right to work and for allowance till such time as appropriate work is provided to any citizen, for establishment of Right to Work Fund, for creation of Right to Work Insurance and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Right to Work Act, 2002.

(2) It shall extend to the whole of India.

(3) It shall come into force at once.

Short title,  
extent and  
commence-  
ment

2. In this Act, unless the context otherwise requires,—

Definitions

(a) “employment exchange” means an employment exchange set up by the Government of a State or Union territory;

(b) “fund” means the “Right to Work Fund” established under sub-section (1) of section 9;

(c) “Government” means the Central Government;

(d) “notification” means a notification published in the official Gazette by the Central Government; and

(e) “prescribed” means prescribed by rules made under this Act.

3. Subject to the provisions contained in sections 7 and 13, every citizen who has attained the age of eighteen years and who, being unemployed, is registered at an employment exchange shall have the right to appropriate work to be provided by the Government.

Right to  
Work

Nature of Work to be provided	4. The work to be provided by the Government under section 3 shall be suited to the age, qualification and strength of the citizen concerned.
Grant of Allowance.	5. Till such time as work is provided to a citizen under section 3, he or she shall be entitled to an allowance, not being less than rupees two hundred per week, as may be prescribed.
Removal of name by Employment Exchange.	6. If a citizen secures any work or job subsequent to his registration with the employment exchange, either on his own or otherwise, he shall inform the employment exchange immediately and his name shall be removed by the employment exchange with effect from the date of his having secured the job or work.
Act not to apply to certain citizens.	7. The provisions of this Act shall not apply to any citizen,— (a) who has an income, through any source, not being less than the amount of allowance fixed under section 5; (b) who is covered under any scheme of unemployment allowance prevalent in a State or Union territory.
Reduction of allowance under section 5.	8. Where a citizen, being unemployed, registers himself with an employment exchange under section 3, but has an income of his own through any source, the amount of allowance to which he may be entitled under section 5 shall be reduced by the amount of his such income.
Establishment of 'Right to Work Fund'.	9. (1) The Government shall establish a Fund to be called "Right to Work Fund" for the grant of allowance under this Act. (2) The Government shall, from time to time, make such grants to the Fund as may be required for the purpose of this Act. (3) These shall be credited to the Fund,— (a) all grants made by the Government under sub-section (2); (b) all voluntary donations made to the Fund; (c) all contributions in respect of Right to Work Insurance Policy under section 10; (d) all sums collected under Section 12; (e) any interest or dividend or other return on any investment made out of any part of the Fund. (4) All amounts due and payable under the Act and all expenditure relating to the management and administration of the Fund shall be paid out of the Fund.
Right to Work Insurance Policy.	10. The Government shall endeavour to have a Right to Work Insurance Policy to cover whole or any part of such grants of allowances as may be payable under this Act.
Rebate or deductions from Income-Tax	11. Notwithstanding anything contained in the Income Tax Act, 1961, all voluntary donations made to the Fund shall qualify for such rebate or deductions from the income-tax payable by the donee, as may be prescribed.
Contribution to Fund	12. Every citizen who receives work or allowance under this Act shall contribute to the fund for a prescribed period immediately after his securing any work or job, whether provided by the Government under this Act or on his own, at such a rate as may be prescribed.
Categorising of citizens entitled to Right to work.	13. The Government may, in its endeavour to provide work under this Act, categorise citizens by notification on the basis of their qualification or any other basis as may be prescribed and make citizens of such categories entitled to right to work under section 3. Provided that the Government shall provide the right to work to all eligible citizens within ten years from the commencement of this Act.
Annual report by Government.	14. As soon as may be after the close of a financial year, the Government shall cause a general annual report on the working and administration of the Fund and the implementation of this Act during that year to be prepared and laid before each House of Parliament, and every such report shall be in such form and shall contain such matters as may be prescribed.



15. (1) The Government may, by notification, make rules for carrying out the provisions of this Act.

Power to  
make rules

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:—

(a) the rate of allowance referred to in section 5 and different rates may be prescribed on the basis of qualification and skills;

(b) the necessary details relating to Right to Work Insurance referred to in section 10;

(c) rebate or deductions from income-tax under section 11;

(d) the rate of contribution to the Fund under section 12;

(e) the basis of categorisation of citizens under section 13;

(f) the form and content of the general annual report mentioned in section 14;

(g) the procedure to regulate all payments under this Act; and

(h) any other matter which is required to be, or may be, prescribed.

16. Every rule made under this Act by the Government and every notification issued under section 13, shall be laid, as soon as may be after it is made or issued, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or notification or both Houses agree that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

Rules and  
notifications  
to be laid  
before  
Parliament

### STATEMENT OF OBJECTS AND REASONS

Indian Constitution guarantees to every citizen the fundamental right to life. The Supreme Court has observed that the right to life, in order to be meaningful, assumes the availability of necessary means to a decent livelihood. On the other hand, the problem of unemployment has assumed menacing proportions. Even the educated citizens are rendered indigent. Lack of opportunity of employment in the country is also leading to brain drain and exodus of a large number of skilled and unskilled persons abroad.

It is time that concerted efforts are made by the State to assure work to citizens. The Bill grants every citizen the legal right to work. Till such time as work is provided to a citizen, he or she shall be entitled to an allowance.

The Bill also provides for the establishment by the Government of a 'Right to Work Fund'. The Fund will receive grants made by the Government, voluntary donations which shall qualify for rebate or deductions from income-tax payable by the donee, contributions at prescribed rate and for specified period from citizens who secure work after registration, etc. There is also a provision to promote Right to Work Insurance to raise finances.

The Bill is realistic, in so far as it provides for even a gradual introduction of the right to work. To begin with, the Government may categorise citizens on the basis of their qualification or any other basis and make citizens of such categories entitled to the right to work; so, however, that gradually all the citizens secure the right to work within a period of ten years from the commencement of the Act.

Hence this Bill.

NEW DELHI;

G.M. BANATWALLA

February 27, 2002

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### PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND 274 OF THE CONSTITUTION

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[Copy of letter No. DGET-H-11019/2/2002-MP(G), dated 19 April, 2002 from Shri Sharad Yadav, Minister of Labour to the Secretary-General, Lok Sabha].

The President, having been informed of the subject matter of the Right to Work Bill, 2002 by Shri G.M. Banatwalla, Member of Parliament, recommends the introduction under articles 117(1) and 274(1) and consideration of the Bill under article 117(3) of the Constitution in Lok Sabha.

#### FINANCIAL MEMORANDUM

Clause 5 of the Bill seeks to provide allowance to a citizen who has attained the age of eighteen years and who, being unemployed, is registered at an Employment Exchange. Till such time as work is provided to such a citizen, he or she shall be entitled to an allowance not being less than two hundred rupees per week, as may be prescribed. It is difficult to make an exact estimate of the recurring expenditure that may be involved on this count. Nevertheless, the provisions of the Bill may be expected to involve recurring expenditure of about rupees five hundred crore per annum from the Consolidated Fund of India. The recurring expenditure is expected to reduce substantially as employment situation improves and as voluntary donations, contributions from citizens who secure work and contributions from the Right to Work Insurance are received.

No non-recurring expenditure is likely to be involved,

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#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 15 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. These rules will relate to matters of detail only.

The delegation of legislative power is, therefore, of a normal character.

## BILL No. 50 OF 2002

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Constitution (Amendment) Act, 2002.

Amendment  
of article  
243C.

2. In article 243C of the Constitution, in clause (3), in sub-clause (c), after the words “of the State”, the words “or their nominees” shall be inserted.

Amendment  
of article  
243R.

3. In article 243R of the Constitution, in clause (2), in sub-clause (a), in item (ii), after the words “of the State”, the words “or their nominees” shall be inserted.

4. After article 243M of the Constitution, the following article shall be inserted, namely:—

Insertion of  
new article  
243MM

“243MM. The Legislature of a State where District Council is in existence shall, by law, provide that accounts of the District Council shall be audited by the Accountant General of the State and such audited report shall be examined by the Finance Committee of the District Council which shall be presided by the Leader of the Opposition of the District Council and if any omission or commission is found in the audited report successively for two years, the Chairman of the District Council shall cease to be Chairman of the Council and he shall not be eligible to contest elections to that body.”

Audit of  
accounts of  
District  
Council

**STATEMENT OF OBJECTS AND REASONS**

Article 243C of the Constitution provides for the composition of the Panchayats and article 243R provides for the composition of Municipalities. In order to ensure that the elected representatives of an area are closely associated with these institutions at the smallest administrative unit, it is appropriate that they have to right to appoint their nominees in these institutions.

The funds placed at the disposal of the District Councils in some States should be audited by a statutory authority and those found guilty should not be allowed to hold any position in District Councils.

The Bill seeks to achieve these objectives.

NEW DELHI;  
*May 3, 2002.*

PRIYA RANJAN DASMUNSI

## BILL NO. 49 OF 2002

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Fifty-third Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 2002.

Short title

2. After article 21 of the Constitution, the following article shall be inserted, namely:—

Insertion of  
new article  
21A

“21A. (1) Every Indian citizen who is a physically challenged person or an old person shall have the right to social security in the matters such as—

Right to  
social security  
in respect of  
physically  
challenged  
persons and  
senior  
citizens

(i) health care and medical facilities;

(ii) housing facilities; and

(iii) adequate and nutritious meals.

(2) Parliament may by law determine the conditions of eligibility, mode of providing facilities to achieve the objectives contained in clause (1).”.

### STATEMENT OF OBJECTS AND REASONS

Indian Constitution enshrines considerable rights accruing to an Indian citizen. The purpose of this Bill is to invite the attention of all concerned and the State in particular to provide a dignified and decent livelihood to those who are physically challenged or are senior citizens and are unable to take care of themselves without help from others.

The Bill seeks to amend the Constitution with a view to including certain social security measures for this deprived section of society as fundamental rights.

NEW DELHI;  
May 3, 2002.

PRIYA RANJAN DASMUNSI

### FINANCIAL MEMORANDUM

Clause 2 of the Bill, if enacted envisages expenses be incurred by the State on making provisions for the housing, medical facilities, meals for the physically challenged persons and senior citizens. At present, it cannot be estimated as to how many physically challenged persons and senior citizens are there in the country. However, the Bill will involve expenditure from the Consolidated Fund of India. It is estimated that a recurring expenditure of about rupees sixty thousand per person per annum would be involved. No non-recurring expenditure will be involved.

G.C. MALHOTRA,  
*Secretary-General.*